

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6060**

**BILL NUMBER:** HB 1440

**NOTE PREPARED:** Nov 1, 2012

**BILL AMENDED:**

**SUBJECT:** Convenience Store Employee Safety.

**FIRST AUTHOR:** Rep. DeLaney

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill sets requirements for security features for employees of convenience stores that are open between the hours of 11 p.m. and 5 a.m., and requires the Commissioner of Labor to issue safety orders and assess civil penalties for violations. Violation of the provisions outlined in the bill is a Class B misdemeanor.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** The Indiana Department of Labor administers the Indiana Occupational Safety and Health Act (IOSHA) on behalf of the state. In addition to IOSHA, the Department oversees the INSafe program, which will create the required robbery deterrence and safety curriculum for convenience store employees required in the bill. It is anticipated that the provisions of the bill will require an increase in printing and mailing costs, resulting in a small increase in expenditures, likely less than \$1,500 per year.

**Background Information -** Convenience stores are defined by the bill as those businesses that are engaged primarily in the retail sale of groceries or both groceries and motor fuel, that are open between the hours of 11 p.m. and 5 a.m. The bill does not concern those businesses that are primarily restaurants or have a continuous employee presence of at least five employees during the hours of 11 p.m. and 5 a.m.

Proposed Minimum Security Standards for all Convenience Stores-

- Training by INSafe in robbery deterrence and safety training for each employee;
- A security camera system capable of recording and retrieving an image of an offender;

- A drop safe or cash management device for restricted access to cash;
- A lighted parking lot illuminated at an intensity of no less than 2 foot candles per square foot at 18 inches above the surface;
- A conspicuous notice at the entrance that states that the cash register contains \$50 or less;
- Window signage that allows a clear and unobstructed view from outside of the building and in a normal line of site of the cash register;
- Height markers at the entrance;
- Cash management policy to limit cash on hand at all times after 11 p.m. and before 5 a.m.;
- A silent alarm connected to law enforcement or a private security agency.

**Proposed Enhanced Security Standards for High-Risk Convenience Stores-**

High-Risk Convenience Stores **MUST** do at least one of the following:

- No less than two employees on the premises after 11 p.m. and before 5 a.m.;
- Security safety enclosure of transparent polycarbonate or other material that meets minimum safety standards;
- Security guard on the premises after 11 p.m. and before 5 a.m.;
- Lock the business premises after 11 p.m. and before 5 a.m. and transact business only through an indirect pass-through trough, trapdoor, or window;
- Close the premises for business after 11 p.m. and before 5 a.m.

A high-risk convenience store is one in which a homicide, battery, kidnaping, confinement, and/or robbery has taken place. If the high-risk convenience store goes without incident for a period of 24 months, the business may request an exemption from the Department to allow the business to forego the enhanced security standards.

**Explanation of State Revenues:** *Department of Labor Penalties:* The Department's Division of Occupational Health and Safety may assess penalties under the bill. The penalties depend upon the number of violations, the severity of the violations, the probability of injury from the violation, and the company size and history. Penalties collected by IOSHA are distributed to the General Fund and generated \$1.27 M in FY 2012. Penalties that are allowable under the bill include:

Willful & Repeated Violations	Max. of \$70,000 / Min. of \$5,000
Serious & Other Than Serious Violations	Max. of \$7,000
Failure to Abate	Max. of \$7,000 for each day violation remains unfixed

*Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

**Explanation of Local Expenditures:** *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

**State Agencies Affected:** Indiana Department of Labor.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Ambat Babu, Indiana Department of Labor, ababu@dol.in.gov;  
[http://www.in.gov/dol/files/IDOL\\_Report\\_on\\_Late\\_Night\\_Retail\\_Workplace\\_Violence\\_June\\_12\\_2012.pdf](http://www.in.gov/dol/files/IDOL_Report_on_Late_Night_Retail_Workplace_Violence_June_12_2012.pdf)  
; [http://www.in.gov/dol/files/IOSHAS\\_Here\\_Presentation.pdf](http://www.in.gov/dol/files/IOSHAS_Here_Presentation.pdf)

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